

709 NEWS

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Refining corporation, union reach tentative deal

BY DAVID WHALEN

SPECIAL TO THE TELEGRAM

The Newfoundland and Labrador Refining Corp. and the council representing 16 labour unions signed a tentative agreement Thursday, moving one step closer to construction on a second oil refinery in Placentia Bay.

The refinery, slated for Southern Head, will refine 300,000 barrels of sour crude oil per day. The project is predicted to peak at 3,000

employees.

Both sides hope some of these workers will be Newfoundlanders and Labradorians returning from outside the province.

The memorandum of settlement comes after 12 months of negotiations between the two sides. Pending the approval of project status from the provincial government, road work and site preparation is expected to begin in the spring.

"Everyone's happy all around. It's a good step for the project," said

Brian Dalton, director of Altius Minerals Corp., a major shareholder in the corporation.

"It's not concluded, but it's going in a good direction," said Dave Wade, the executive director of the Newfoundland and Labrador Building and Construction Trades Council, the umbrella organization representing the unions.

Special project designation has to be passed into provincial law before the project can start. The project, with an estimated development cost of \$4.6 billion, is expected

to last four years. Both sides are hoping the agreement will be finalized early in the new year.

"This agreement is the best that we've had in this province for quite a long time," said Gus Doyle, president of the United Brotherhood of Carpenters and Joiners Local 579, one of the unions represented by the council.

Details of the memorandum were not released, but will be made public after the deal is finalized.

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